

Körber Supply Chain

Experience is everything:

How today's consumer expectations impact the supply chain



Introduction

Körber asked a group of consumers across the globe about their spending habits and attitudes towards purchases and how those expectations have changed since the pandemic. The results reveal a shift in buying habits and how suppliers need to adapt to changing consumer behaviors.

92% of
respondents
made purchases
online

Experience is everything

Shop till you drop

The majority of respondents make purchases online (92%) and most of those purchases are delivered to the home (78%) versus in-store or pick-up center (22%).

The times they are a-changin'

The pandemic had an effect on consumer buying habits with **73 percent** of respondents saying their buying habits changed due to pandemic. The following breakdown shows what prompted the change.



Home is where the heart is

The method in which consumers shop has also changed due to the pandemic, with more than double the respondents buying online and shipping home now versus today.

	Pre-pandemic	Today
Buying in-store	58%	28%
Buying online – pick up in-store (click and collect)	17%	19%
Buying online – pick up center	6%	9%
Buying online and ship to home	19%	44%

Tardy for the party

80 percent of respondents experienced shipping delays during the pandemic, and of those, the majority (59%) attribute those delays to the pandemic. While there were shipping issues during the pandemic, **64 percent** of respondents believe that experience has improved the shopping and shipping experience. For suppliers this means higher expectations with **55 percent** of respondents being more demanding of online business and their services post-pandemic.



You get what you pay for

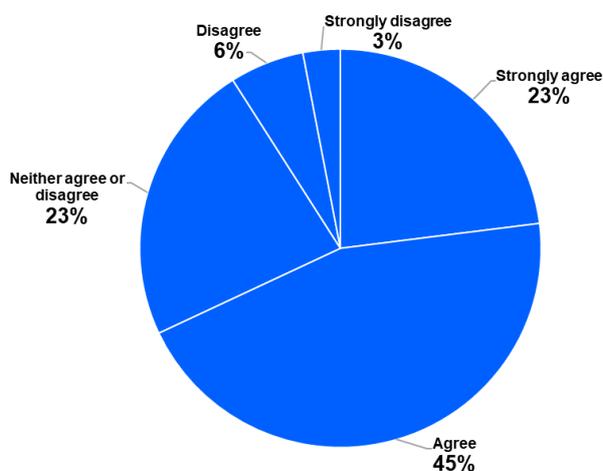
While price is an important factor, there are other factors to consider when making an online purchase. Besides price, below are the top three factors valued most by the respondents.

- 52% - Shipping cost**
- 43% - Delivery date**
- 40% - Trusted quality of delivery**

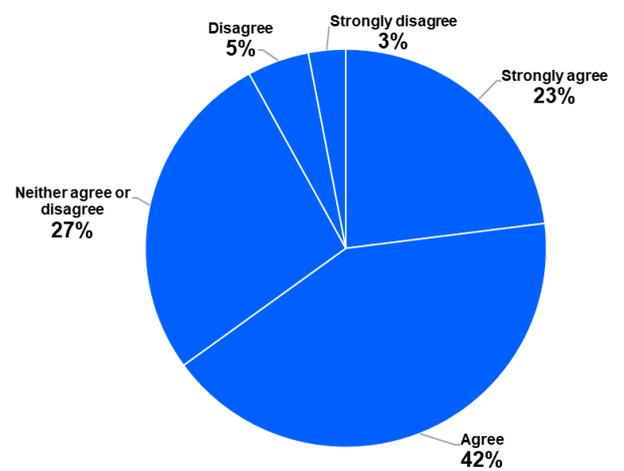
The options are endless

Once a consumer has selected an item for purchase, there are factors that influence whether or not they are more likely to make that purchase from an online retailer.

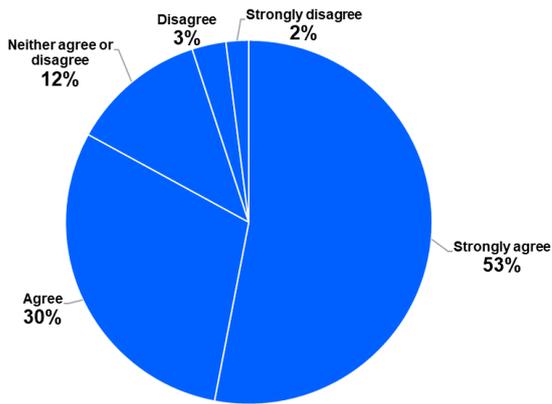
Have several shipping options



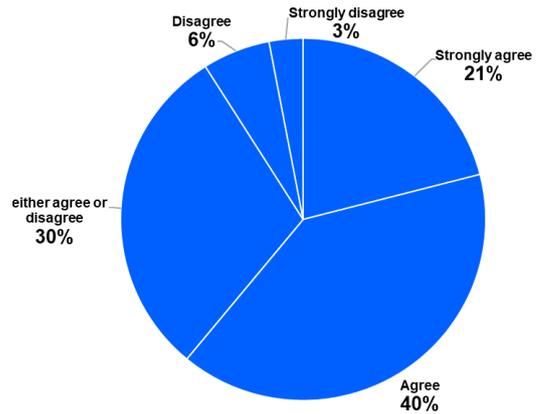
Have sustainable delivery options



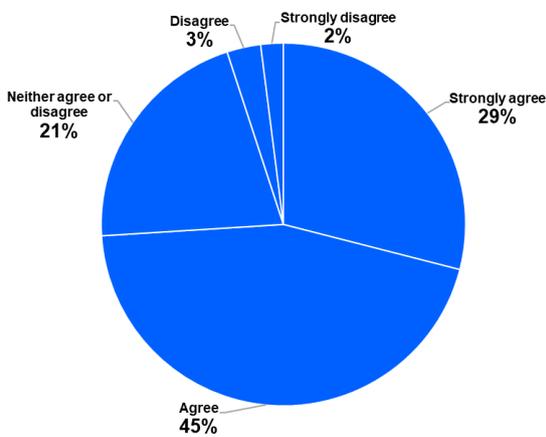
Provide free shipping



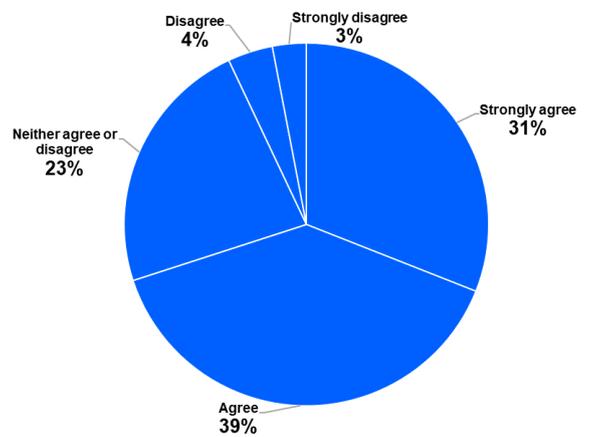
Allow product customization



Display real-time stock



Allow me to opt for package consolidation



The waiting game

While respondents say free shipping is an influence on their purchase, there is a timing factor on how long they are willing to wait for an item to arrive.

- 31% - from 1 to 3 days**
- 46% - between 4 and 7 days**
- 12% - 8 days or longer**
- 11% - depends on country of origin**

Timing is everything

58 percent of respondents are willing to pay more for same-day or faster deliveries, but with that, **46 percent** expect to receive daily updates on the states of their order.



High expectations

58 percent of respondents said that if they buy online and pick up in store, they expect the item to be ready for pick up between 30 minutes and 3 hours of placing the order, and **22 percent** believe it should be ready in under 30 minutes.

Keeping up with demand

63 percent of respondents expect on-time delivery of their purchases during the Holiday Season. However, if there are delays, **60 percent** believe it is due to above average demand, **26 percent** believe manufacturers are unable to keep up with demand, and **14 percent** believe supply chain is the issue.

Delivering the goods

The delivery process is an important part of the buying process. Below are the top three things valued most during the delivery process.

1. Faster deliveries
2. Accurate tracking
3. Quality of service

No such thing as a free return

60 percent of respondents believe retailers should always offer free returns, and if a retailer does charge for return shipping, **53 percent** of respondents will reconsider doing business with them in the future.

Give credit where credit is due

69 percent of consumers expect to receive a refund/store credit within 1 to 7 days of a return and would like options on the return process.

62% – Return label included inside the package for returns free of charge

41% – Free pick-up service from seller

34% – Ability to return to the physical store

32% – Ability to select preferred method of shipment regardless of cost

32% – Drop the return at the carrier's facility

About This Report

Experience is Everything: How Today's Consumer Expectations Impact The Supply Chain is based on an online survey fielded in Winter 2021. Respondents to the survey included more than 1,600 international consumers between the ages of 24 and 76 years old who actively make purchases on a regular basis.

